STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	**)**	
On its own motion	**)**	
	)	**Docket 06-0703**
Revision of 83 Ill. Admin. Code Part 280	**)**	

GOVERNMENTAL AND CONSUMER INTERVENORS'

REPLY BRIEF ON EXCEPTIONS

CITIZENS UTILITY BOARD
CITY OF CHICAGO
THE PEOPLE OF THE STATE OF ILLINOIS

July 20, 2012

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Pursuant to the schedule outlined in the Administrative Law Judge's ("ALJ") Proposed Order ("PO"), the Citizens Utility Board ("CUB"), through its attorney, the City of Chicago ("City), through its Corporation Counsel, Steven Patton, and the People of the State of Illinois, ex rel. Lisa Madigan, Attorney General ("AG"), (hereinafter "Governmental and Consumer Intervenors" or "GCI"), hereby file their Reply to the Brief on Exceptions ("BOE") of Illinois Commerce Commission ("Commission" or "ICC") Staff ("Staff") and various utilities in the above-captioned proceeding in accordance with the schedule provided in the Administrative Law Judge's ("ALJ") Proposed Order ("PO").

I. INTRODUCTION

The utilities' shared arguments are largely limited to opposition to the Commission's determinations that its rules should prevail over inconsistent utility tariffs (Nicor, Ameren, IAWC), that utilities should advise customers of their (utilities') internal appeal procedures (MEC, Nicor), and that utilities should return significant refunds and credits to customers instead

of holding customer money to apply to future utility bills (PGL, ComEd). Two utilities would deny medically infirm customers the ability to seek a second medical certificate until every penny of an outstanding balance was remitted, a proposal that ignores the profound effect illness has on a customer's ability to stay current on utility debts and other bills. CUB, the City and the AG urge the Commission to enter a final order that rejects these utility arguments, and adopt a rule that is consistent with the recommendations in the GCI Brief on Exceptions and this Reply.

II. ARGUMENT

Section 280.05 Policy

Nicor Gas Company ("Nicor"), Ameren Illinois Company ("AIC" or "Ameren") and Illinois American Water Company ("IAWC") complain that the Proposed Order's adoption of Staff's language indicating that policies outlined in the rule take precedence over any inconsistent utility tariff is burdensome and/or contrary to law. Nicor BOE at 2-3; AIC BOE at 2-3; IAWC BOE at 1-2. These claims should be rejected and the Proposed Order's recommended language should stand unaltered.

Nicor argues that the "precedence" language elevates a statement of policy to a substantive provision "contrary to well-established law." Nicor BOE at 2. Nicor further claims that this provision is beyond the power of the Commission to adopt, because the Commission is prohibited from prescribing rules of statutory construction. *Id*. at 2-3. Nicor's claims that the Proposed Order recommended language in Section 280.05 is legally infirm are inapposite. Nicor's analysis misses the mark. What Nicor implicitly characterizes as rules of statutory construction establishes affirmative requirements by putting customers and utilities on notice that any conflicting tariff provisions require a waiver to be effective.

The policy language simply clarifies that it is the utilities' responsibility to ensure that its tariffs conform with the Rules and that the utility should seek a waiver if there is a conflict. The Illinois Supreme Court has ruled that the language in the preamble to the Act is persuasive, stating that "[t]he function of a statutory preamble is to supply reasons and explanations for the legislative enactments." *Citizens Utility Bd. v. Illinois Commerce Comm'n* 166 Ill.2d 111, 160. The policy language does not in itself dictate prescriptive requirements, nor does it alter the utility's obligation or constrain its flexibility. It merely restates the essence of the non-discrimination requirement of PUA Section 9-250, under which the utilities have been operating for decades. Thus, the provision does not require any affirmative change in utility interactions with customers. The goal of the policy language is simply to clarify that Part 280 is meant to be a single source of governing law and to put customers and utilities on notice as to their rights and responsibilities with regard to contrary provisions or practices.

There are very good policy reasons supporting the Proposed Order's conclusion that the Part 280 should supersede conflicting tariffs. In their surrebuttal testimony, Staff witnesses Jim Agnew and Joan Howard explained why Part 280 should supersede conflicting utility tariffs. There they stated that "this rule is not just for those of us who are already quite familiar with the esoteric ways of utility regulations. Rather, this rule is intended to also help consumers and consumer advocates, particularly with their understanding of their rights and responsibilities." Staff Ex. 3.0 (Rev.) at 4:83-86. GCI witness Barbara Alexander made a similar point:

> Another objective of this rewrite is to make the rules governing this area of utility-customer interaction more accessible to customers. That objective is impossible to achieve if customers must scour hundreds of pages of hard-to-read utility tariffs that they are likely not aware of, or would not know where to find, to determine if the Commission's rules have been overridden by a

> tariff. Individual utility tariffs may not be consistent with each other or easy to obtain. Not all customers have computers and internet service and none of the larger utility companies maintain neighborhood offices for access to tariffs. A major theme of the GCI comments is to eliminate any notion that customers can or should be made to routinely consult utility tariffs to learn about their rights and responsibilities.

GCI Ex. 5.0 (Rev.) at 8-9:175-185. Furthermore, because utility customer service representatives ("CSRs") sometimes fail to provide reliable, accurate or complete information regarding the customer's rights, (June 8, 2011 tr. at 728:16-20), it is vitally important that consumers be able to arm themselves with the controlling law, so they can effectively protect themselves against misinformation. For these reasons, as the Proposed Order recommended policy language makes clear, the utilities must ensure that their tariffs conform to the new Part 280 Rules and if there is a conflict, seek a waiver. And as GCI has argued throughout this docket, and the Proposed Order concludes, even existing waivers should validated against the new rules, rather than perpetuate legacy waivers tied to rules the Commission has rewritten. PO at 16.

Ameren and IAWC further asserted that the proposed section 280.05 would cause "confusion" and would be "burdensome." Ameren BOE at 1-2; IAWC BOE at 1-2. This suggestion, however, ignores the obvious fact that in the face of a potential conflict between the new Part 280 rules and an existing tariff, utilities will be required to determine which should control. The task of avoiding being inconsistent with various legal constraints is something utilities (indeed, every business) does daily. The recommended policy language ensures that whether the revised rules should control is not in the hands of the utility, which could choose the most advantageous route. The alternative is to impose a "confusing" and "burdensome" task on uninitiated customers to find and digest the rules and Part 280 and then, to compare these rules,

comb through hundreds of pages utility tariffs to determine whether a particular rule is superseded by a utility tariff or to fight the utility's interpretation of the same. This eventuality is contrary to Staff's stated overall purpose of making Part 280 more readable and easily understood and frustrates the Proposed Order's intent to make these rules "comprehensive, controlling and forward looking." PO at 16.

To realize the Commission's goal of a single repository of the rules governing the utility-customer relationship that is more readily accessible to customers, the Part 280 rules must take precedence. Any waivers from the Part 280 rules should be temporary and last only as long as the justifying circumstances persist under prudent management. The policy language in Section 280.05 simply makes this point clear. The utilities complaints that this language is inappropriate or unlawful should therefore be rejected.

Section 280.10 Exemptions

The lone utility to comment on the Proposed Order's Section 280.15 was Ameren, which objected to the Proposed Order's adoption of section 280.10 – Exemptions. In particular, Ameren took exception to the Proposed Order's decision to include in its draft rule the statement that any exception "will not result in a net harm to consumers overall." Ameren BOE at 3-4.[i] The Proposed Order adopted Staff's proposal regarding section 280.10. Staff witnesses Agnew and Howard explained that the "net harm" language was added so that the exemption provision in Part 280 is consistent with the waiver concept included in Article XIII, the Telecommunications provisions of the Act. Staff Ex. 1.0 at 5:104-110. Mr. Agnew and Ms. Howard stated that it is in the public interest that the exemption provision in Part 280 mirror the exemption language in Article XIII of the Act. *Id*. at 5:110-111.

In its brief, Ameren recommends that the "no net harm" language be replaced with a "just and reasonable" standard. Ameren BOE at 3-4. In its testimony and in its brief, Staff objected to Ameren's concerns, explaining that the utilities concerns elevate form over substance. Staff said that it believes that the Commission, in interpreting the no "harm to consumers" phrase, will determine whether the request is in the public interest in view of the impact on all of a utility's customers. Staff Init. Br. at 6-7. Indeed, this phrase ensures that the Commission would not deny a request for a waiver if it can be shown that only one customer might be harmed if the waiver were granted. Staff further pointed out that, consistent with its intent to simplify the current Part 280 and to make it more accessible to those not familiar with the intricacies of utility regulation (*see*, *e.g.*, Staff Ex. 1.0 at 4:84-86; Staff Ex. 3.0 (Rev.) at 4:83-86), the phrase "will not harm consumers" is easier for laypeople to understand and should be understood as synonymous with the phrase "in the public interest." Staff Init. Br. at 6-7.

GCI agree with the Proposed Order and Staff's position on this point. Ameren's arguments should be rejected.

Section 280.15 Compliance

In response to the Proposed Order's acceptance of the utility proposal to allow up to 24 months for implementation of the revised Part 280 rules, Peoples Gas Light and Coke Company ("PGL") and North Shore Gas Company ("NS"), (collectively, "PGL-NS"), were the only utilities to address new Section 180.15, Compliance. PGL-NS expressed appreciation for an allowance of time to implement the revised rules. PGL-NS BOE at 1.

Staff opposes implementation delays of the recommended length, and Staff expresses its continuing concern about the sequence and timing of utilities' implementation of specific rules.

Staff BOE at 2. Staff proposes a compromise -- lowering its original proposal for a six month implementation period to accept a possible delay of up to 12 months for compliance. Staff at 3.

For the reasons discussed in its Brief on Exceptions, GCI also opposed the recommended allowance of up to 24 months delay. See generally GCI BOE at 4-10. As indicated in that filing, GCI found greater import in the Commission's directive to implement the revised rules "as quickly as reasonably practicable" than in the allowance of delays less than a two-year maximum. Id. at 5. GCI viewed allowing two years to implement the revised rules as inconsistent with the Commission's primary directive. GCI urged the Commission to reconsider permitting such lengthy delays and to impose a shorter implementation deadline. Id. In the alternative – that is, if the Commission does not modify the recommended two-year implementation maximum – GCI proposed a series of ancillary requirements to add clarity to the Commission's direction and to prevent abuse of the implementation delay provision. Id. at 5-8.

Staff's BOE appears to confirm the need for greater clarity in the Commission's decision and validating GCI's concern "that any allowed period of delay will become the de facto minimum period," Staff appears to interpret (or to fear that utilities will interpret) the Proposed Order's 24-month maximum implementation period as permission to set aside any effort to provide the rights and protections in the revised rules until long term permanent solutions are developed and completed. Staff BOE at 2-3. GCI interpret the Commission's requirement for implementation as quickly as reasonably practicable to preclude any automatic delay or any presumption that delays would be of maximum length. In GCI's view, that directive also requires establishment of interim measures to give more immediate effect to the new rules while long term, permanent solutions are being put in place.

GCI shares Staff's view that in most cases an extended delay for implementation is unnecessary and harms customers and utilities. But the Commission's own Staff appears uncertain about the required pace of implementation. Such uncertainty supports GCI's call for greater clarity respecting the Commission's expectation of prompt implementation, both in the Commission's order approving this rule and in the rule itself. No party should have any doubt that the Commission intends that the revised Part 280 be implemented fully and quickly.

As discussed in their BOE, GCI views the following actions as within the requirements of diligent efforts to implement the new rules as quickly as reasonably practicable." The revised rule should be fully implemented immediately wherever possible. If immediate, full implementation is not possible, the implementation should proceed as quickly as reasonably practicable, with interim (full or partial) compliance measures in place during completion of the defined projects required for full, long-term compliance. All projects required for full, long-term implementation and compliance must be completed in less than the maximum allowed period.

Staff also proposes adding to the rule an explicit requirement for balanced implementation: "Each utility shall schedule implementation of the requirements of this rule in a balanced manner so that requirements which benefit utilities are not given priority over those that benefit consumers." (Staff 3) GCI supports this additional clarity in the Commission's directives. An express statement may help assure that customer protections are become effective sooner rather than later.

Section 280.30 Application

Staff comments on a legal issue respecting this section's purported limitation on customers' right to seek redress of billing problems. Staff BOE at 7. "Staff also questions whether a Commission rule can limit a complainant's right to complain about billing

responsibility to a six months time frame when Section 5/9-252.1 of the Public Utilities Act clearly provides for two years." *Id*., citing 220 ILCS 5/9-252.1)

GCI supports Staff's effort to ensure that the Commission's new rules and the Commission's interpretations of the new rules are at all times compliant with the Public Utilities Act.

Section 280.40 Deposits

Subsection 280.40(b) Disclosures

Nicor takes issue with the Proposed Order's recommended language requiring certain notifications to customers regarding a deposit before such deposit is charged. Nicor BOE at 11-12. While Nicor claims it orally informs customers of the imposition of a deposit before such deposit is charged, Staff, GCI and ultimately the ALJ found that the assessment of a deposit was a significant enough burden on customers to warrant certain disclosures before the deposit charge appears on a bill. *Id*. at 11. Whether Nicor customer service representatives orally inform each customer who is charged a deposit about the deposit charge is beside the point. Part 280 is a rule of general applicability, which all utilities must follow. The whole purpose of this re-write is to codify good utility practices in order to make such practices uniform across all utilities and to hold utilities accountable for compliance with these rules.

Nicor's point about its internal practices actually highlights the very need for such disclosure because there is no way to ensure the disclosures Nicor claims it is providing customers are uniformly, accurately and completely provided by all utilities. Nor does Nicor's current practice ensure that those procedures will be continued in the future. These factors are precisely why a written disclosure is necessary. Additionally, Nicor does not claim that its customer service representatives orally provide the entire list of disclosures in the recommended

Part 280.40(b)(2). Thus, it is entirely possible that critical information regarding a customer's ability to contest the deposit, as well as detailed information about the amount, interest, payment schedule and refund policy are not being fully explained during the initial phone contact regarding service initiation. The Proposed Order's recommended disclosures, (with the additional disclosure proposed by GCI in its Brief on Exceptions regarding the customer's ability to avoid a deposit by entering into a deferred payment arrangement), are crucial information for a customer being threatened with a deposit that may create significant hardship for some customers. GCI Corrected Init. Br. at 38. The benefit of the disclosures are lost if the notification process does not occur prior to the assessment of the deposit. *Id*. Requiring such notification in writing alleviates the potential for miscommunication of customer rights.

Nicor claims that the disclosure requirement "simply adds another layer of process and cost, without any additional benefit…and serves no purpose other than delay." Nicor BOE at 12. This statement ignores the tremendous benefit of disclosures to the customers being charged the deposit and of customers being as fully informed as possible, not simply informed as the utility deems necessary. As even Nicor witness Lukowicz testified, "an informed customer is the most valuable customer we have." June 9, 2011 tr. at 909. It is unfortunate, then, that Nicor simultaneously dismisses any value that could be attributed to additional disclosures to provide complete, uniform and accurate information to customers as a benefit and sees such requirements as merely dollar signs. Nicor's exceptions on this point should, therefore, be rejected.

Subsection 280.60 Payment

Subsection 280.60(d)(3) Late Fees on Budget Plans

In its brief, Commission Staff took exception to the Proposed Order's conclusion allowing utilities to impose late fees on undisputed overdue budget plan amounts. Staff BOE at

11-12. Staff pointed out that the Proposed Order's decision reverses long-standing policy prohibiting the imposition of late fees on overdue budget amounts. Staff added that the problem with imposing late fees on budget payment amounts is that a budget plan has many moving parts and, as a result, it is difficult to accurately calculate late fees. The Proposed Order adopts Illinois-American's recommendation as to how to calculate late fees on overdue budget amounts. Proposed Order at 129. Staff explained that Illinois-American's proposal is deceptively simple and would impose late fees on a fictional amount owing, not the true amount that the customer actually owes. Staff BOE at 11. Staff further stated that there may be some circumstances in which a customer is running a budget plan surplus, but nonetheless could be assessed a late fee for a late payment. *Id*. This hardly seems fair and, as Staff argued, if one point of late fees is to protect utility revenues, assessing late fees on customers who are running a budget surplus does not fulfill that objective.

GCI agree with Staff's argument and ask that the Proposed Order's conclusion on this point be rejected and that Staff's recommended exception be adopted.

Section 280.80 Budget Payment Plans

Subsection 280.80(h) Reconciliation

MidAmerican Energy Company ("MidAmerican" or "MEC") argued that the Proposed Order's conclusion regarding section 280.80(h) requiring utilities "to review each budget plan at least once between the 4th and the 7th month of the term of the plan to ensure that significant shortfalls or credits do not accrue" (Proposed Order at 138) be rejected. MidAmerican BOE at 3-4. MidAmerican asserted that the Proposed Order's required review in the 4th or 7th month of budget billing is arbitrary and does not allow a customer the flexibility of an annual review." *Id*. at 4. MidAmerican also stated that it has no objection to quarterly and semi-annual budget plan

reviews. *Id*. at 3. Yet, the utility ultimately recommended that Staff's version of section 280.80(h) be adopted. However, Staff's proposal does not require that budget plans be reviewed at all.

On the one hand MidAmerican does not object to quarterly and semi-annual reviews, yet MidAmerican supports a proposal that requires no reviews. In any event, the record is clear that a review of some a regular review – GCI recommending quarterly and the Proposed Order adopting a biannual review – is necessary. GCI witness Sandra Ms. Marcelin-Reme explained the need for regular true-ups. She testified that when customers enroll in a budget payment plan, they do not expect their payments to "fluctuate greatly, if at all." GCI Ex. 2.0 at 11:280-282. Customers often develop a "false sense of security" because they believe that adjustments will be made so no large payments will be due when usage is reconciled with payments made. *Id*. at 11:282-285. Instead, customers are often surprised when the annual true-up requires that they make a substantial payment. *Id*. at 11: 285-287.

Therefore, GCI recommend that MidAmerican's exception on this issue be rejected. However, as stated in its Reply Brief, (GCI Reply Brief at 52), GCI do not object if section 280.80(h) were modified to include MidAmerican's proposal that customers be provided the option of choosing an annual review.

Subsection 280.80(i) Budget Payment Plans

Consistent with its conclusion regarding section 280.60(d)(3), the Proposed Order recommended deleting Staff's recommended section 280.80(i), which would prohibit utilities from assessing late fees on budget payment plan accounts. For the reasons discussed above regarding section 280.60(d)(3), GCI recommend that section 280.80(i) be reinserted into Part 280.

Section 280.110 Refunds and Credits

Subsections 280.110(c)(2) and (f)(1)

ComEd and Peoples Gas Light and Coke Company ("PGL") each assert that the Proposed Order's recommended language in Section 280.110(c) should be revised to increase the amount triggering a refund check, as opposed to a credit, from 25% of the customer's average month bill to 125%. ComEd BOE at 1-2; PGL BOE at 2-3. ComEd similarly protests Section 280.110(f)(1) regarding the threshold for utility discretion on the form of refund for credits to bill statement or direct refunds to customers. ComEd BOE at 1-2. ComEd and PGL argue that these two parts of Section 280.110 should mirror Section 280.40(i)(2), in which the Proposed Order recommended a change from the current rule providing that the utility may not insist on a bill credit if the refund amount exceeds 25% to 125%. GCI agree each of these respective subparts should mirror each other, but GCI argues the existing 25% threshold should be retained within each applicable section.

In its Brief on Exceptions, GCI took exception to the recommended increase in the threshold for utility discretion in form of refund of deposits from 25% to 125%. GCI BOE at 29-31. GCI find the expansion of utility discretion to determine the form of refund of customer funds when the amount exceeds 125% under this provision unreasonable. As GCI explained, the amount to be refunded is customer money and customers should be able to choose the form of repayment of their own funds. *Id*. Using the proposed 125% threshold, utilities could choose to hold a substantial (for customers in need) refund amount as a credit on future utility bills. Low and fixed income customers, however, may prefer have those funds available to pay for other necessities immediately, rather than waiting one or two months for the credit to show up on a utility bill. This same analysis applies with regard to overpayments without utility error (Section

280.110(c)(2)) and with regard to credits to bill statement or direct refunds to customer (Section 280.110(f)(1)). While GCI believe there should be no utility discretion in determining the form of payment of customer funds, GCI agree a reasonable compromise is to retain the existing threshold to limit the utilities' discretion regarding the form of refund for deposits to an amount less than 25% of the customer's average monthly bill. Therefore, ComEd and PGL's exceptions regarding Section 280.110(c) and (f)(1) should be rejected.

Section 280.160 Medical Certification

Subsection 280.160(i)(d) Medical Certification [New certification of previously certified accounts]

In its Brief on Exceptions, Ameren Illinois Company ("AIC") challenges the Proposed Order's adoption of Staff's proposed language that permits residential customers to enter into a new Medical Payment Arrangement ("MPA") every 12 months, notwithstanding the existence of an outstanding, unpaid MPA. Ameren BOE at 8. Ameren argues that allowing such an arrangement would facilitate chronic non-payment and create a "loophole" by which some customers might try to avoid payment of utility bills. The Company's proposed exceptions language would harshly prohibit the issuance of a second MPA unless and until the previous MPA has been paid off. *Id.* at 8, 9. For its part, Nicor likewise objects to what is essentially a renewal opportunity for the MPA, arguing that Staff's proposal will unreasonably facilitate "chronic delinquency". Nicor BOE at 17. Nicor opines that the second MPA only be issued if both the total account balance has been brought current *and* 12 months have expired from the beginning date of the prior MPA. *Id.* at 17-18. As an alternative, Nicor suggests that the adopted rule should provide that accounts with a prior valid medical certificate are eligible for

another certificate after either the total account balance has been brought current or *18* months (rather than 12 months) have expired from the beginning date of the prior certificate. *Id.* at 18.

These arguments should be rejected. First, as noted in GCI's Initial Brief, utility accusations of customer fraud on this point remain unproven. GCI Corrected Init. Br. at 81-82. Moreover, as GCI witness Alexander testified, medical emergencies often trigger significant losses of income due to the medical emergency. GCI Ex. 1.0 at 34-36. Requiring that all outstanding debts be resolved *and* the elapse of 12 months (or at Nicor's behest, 18 months) before a customer can even apply for another certification minimizes the profound effect illness has on a customer's ability to stay current on utility debts and other bills. Moreover, it stands to reason that if a customer has paid all outstanding amounts, and provides the necessary written documentation, then that customer has proven worthy of the special payment arrangements and time extensions that medical certification provisions provide. The Ameren and Nicor unproven assertion of potential customer fraud should be rejected by the Commission.

As this particular provision of Staff's proposed rule and the Proposed Order appropriately recognized, illness that prevents a customer from paying outstanding debts may be chronic. PO at 219. It is reasonable and in the public interest to ensure that these medically infirm customers are given the time they need to coordinate payment arrangements with a utility, given the customer's particular health issues. This portion of Staff's proposed rule should be retained in the Commission's final order. (The GCI-proposed modifications to other portions of the Medical Certification section of the Proposed Order are provided in the GCI Brief on Exceptions.)

Section 280.220 Utility Complaint Process

Subsection 280.220(i)(1) Escalation of Unresolved Complaint to Supervisor

Nicor and MidAmerican each take issue with the Proposed Order's recommended language requiring utility customer service representatives to "advise the customer of the right to escalate the complaint to supervisory personnel for further review and response." PO, Att. 1 at 61. Nicor and MidAmerican complain that such requirement micromanages utility operations and undermines the utility representative's ability to resolve an issue. Nicor BOE at 19; MidAmerican BOE at 4. Staff proposed this language in its draft rule because not all customers are aware of their right to escalate when the customer does not accept the answer provided by customer service. Staff Ex. 2.0 at 91:2084-2090. Additionally, Staff witnesses Agnew and Howard observed that problems arise due to the unavailability of supervisory personnel to take consumers escalated calls. *Id*. They testified that their primary intent in proposed subsection 280.220 i) is to ensure this availability. *Id*. This language represents a reasonable and rationale way to establishing a uniform, consistent process for handling customer complaints. The Commission should be encouraging customers to explore their appeal options with the utility first, thus potentially limiting the need for escalations to the Commission complaint process. Nicor's and MidAmerican's objections to this requirement should therefore be rejected.

Subsection 280.220(j) Complaint Number

Only Nicor took to exception to this requirement. Nicor BOE at 20-21. Nicor claims its customer service representatives already enter a "customer contact" onto a customer's account and therefore the requirement to assign a complaint number to the contact is unnecessary. *Id*. As GCI argued in its Reply Brief, assigning customer complaints tracking numbers will serve as a reference point for both customers and the utility in future interactions which will by itself

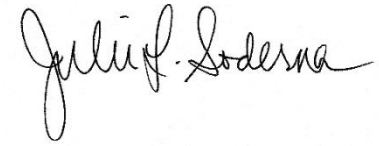
avoid one of the most common customer complaints: that the utility fails to keep records of prior customer complaints. GCI Reply Br. at 91-92, citing GCI Ex. 2.0 at 21. The idea is that the number is not used merely for internal processing, but to provide customers a reference for contacts with the utility. Furthermore, since utilities often have difficulty extracting from "ad hoc" account notations the information that will address a specific complaint topic, the proposed requirement can help avoid escalation of complaints to formal hearings. Staff Ex. 3.0 at 23.

Contrary to Nicor's complaints about the burdensome nature of this requirement, it is the simplest, most uniform and most reasonable way for utilities and customers to track customer complaints, and such a change could be easily accomplished by the addition of one field to the existing utility record keeping system. June 9, 2011 tr. at 879-880. The Proposed Order's adoption of this requirement should therefore stand.

III. CONCLUSION

For the reasons stated above, GCI respectfully request the Commission make the modifications to the Proposed Order and the First Notice Rule articulated in its Brief on Exceptions and this Reply Brief on Exceptions and reject the utilities' exceptions discussed herein.

Dated: July 20, 2012



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